

The Inspector General's Report on the Personnel Office presents a generally sound analysis of the Agency's over-all personnel management problems. In addition, it points to the general confusion among divided responsibilities and authorities for personnel management which has been the basic cause of many of the deficiencies in the Agency's personnel program. However, in reading the Report, it is difficult to distinguish readily between those deficiencies and proposed changes which are actually within the control of the Personnel Office and those which involve other authorities concerned with personnel management activities. In general, the head of the Personnel Office should be responsible for professional and technical advice to the Director and to operating officials on personnel matters, should provide centralized personnel services, as appropriate, and should monitor the Agency's personnel program on behalf of the Director. Operating supervisors, on the other hand, should generally be responsible for day-to-day personnel management activities in connection with the accomplishment of their respective missions. Therefore, it is very important to distinguish between those authorities for personnel management delegated to the Personnel Office and those delegated to operating officials. This need is particularly apparent at operating levels in the Personnel Office. For example, a placement officer is constantly faced with the necessity of considering such conflicting interests as those of career components and various levels within operating components, as well as those of such technical authorities as the Medical and Security Offices and the Office of Training.

a. Page 2 of the Report

(1) Paragraph A-2:

"While admittedly other factors are involved, it is nevertheless apparent that personnel management is more than a little to blame for the loss of the [redacted] employees who were terminated between 1 January and 30 June 1953."

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To the extent that employee turnover is within Agency control, "personnel management" is primarily to blame for such turnover. However, little of this turnover can be attributed to deficiencies in the operating programs of the Personnel Office or to other personnel management activities over which the Personnel Office has had practical control authority. It is practically impossible for any employer to officially determine the "true reasons" for resignations. However, our best efforts to elicit and analyze the factors resulting in turnover indicate that the majority of separations were either beyond the control of the Agency, or were related to the Agency's security requirements or to deficiencies in supervision and other activities outside the control of the Personnel Office. In spite of the higher medical and security requirements of this Agency, the average monthly separation rate for CIA during the

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period January 1 through June 30, 1953, was 1.4% as compared with 2.2% for the Federal Government as a whole and with 4.1% for manufacturing industry.

(2) Paragraph B:

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employees... This represents an extremely high proportion when the Independent Offices Appropriations Act in recent years has stipulated that there be one person in personnel for every [REDACTED] employees."

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The Agency must be prepared to meet any criticisms which might arise through comparison of the size of its personnel staff with those of other Federal establishments. However, it should be recognized that the application of standard personnel ratios has been somewhat discredited and is not as popular as it was some time ago. For example, the 1953 report of the Senate Subcommittee on Federal Manpower Policies concludes that "standard personnel staffing ratios, per se, are incompatible with management improvement goals sponsored by the Congress, the President, or agencies themselves." Of necessity, this Agency requires personnel specialists to perform functions which are not required in all Federal agencies and which would be excluded by the Bureau of the Budget in computing ratios. For example, our contracting, special recruitment, testing and central processing functions and overseas personnel administration would not be required in most other agencies. Also, it is generally recognized that more personnel specialists are required in a new and growing organization in which basic personnel policy is being determined than would be needed in an established organization operating under the authority and guidance of the Civil Service Commission. Our last report, prepared according to instructions from the Bureau of the Budget, indicated that this Agency's ratio would be 1 to [REDACTED] for Fiscal Year 1954. It is essential that the personnel management function in this Agency be staffed to meet our own specific needs which cannot be assumed to be identical with those of Federal establishments in general.

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b. Page 3 of the Report

Paragraph B:

In considering the Report in relation to current activities of the Personnel Office, it should be noted that the T/O, staffing and budgetary information contained therein was developed

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in the midst of a reorganization of the Personnel Office and does not represent the current picture.

c. Page 7 of the Report

(1) 4th Complete Paragraph:

"It would appear that the principal cause of this (rapid turnover of clerical personnel) has been failure to correctly ascertain the intentions of applicants regarding how long they expected to stay with the Agency."

A higher rate of turnover may be expected to occur among clerical personnel than among professionals. Recognizing the desirability of recruiting individuals who intend to make their careers in the Agency, it is doubtful that the Agency could meet a substantial part of its clerical needs by limiting recruitment to such persons. The Personnel Office questions applicants regarding their intentions toward long-term employment with the Agency and considers this factor in evaluating applicants. However, this is the kind of question which applicants are inclined to answer in a manner which they believe will be favorable to their personal interests.

(2) Last Paragraph:

The rejection of applicants should be exclusively a function of the Personnel Office except in those cases where the actual circumstances require the professional attention of medical and security specialists.

d. Page 8 of the Report

(1) Paragraph B, 1st Subparagraph:

More effective controls over the contents and use of personnel folders are needed. The Personnel Office has lacked practical authority to control them and past efforts to do so have generally been resisted by operating officials who seem to consider such controls as a failure to provide adequate service. With respect to the maintenance of unofficial personnel folders at various operating levels, this is not within the jurisdiction of the Personnel Office. However, the development of unofficial folders in operating offices has been encouraged by the relative inaccessibility of official folders due to the wide-spread locations of Agency offices.

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(2) Paragraph D, 2nd Subparagraph:

"Not only should the (official personnel) folders be properly and uniformly organized, but the folders should contain all data pertaining to the individual's personality traits, competence, and qualifications."

With respect to the need for standardization of the maintenance of personnel folders, the Personnel Office has given increased emphasis to the reassembly of filed material in a uniform fashion. It is assumed that the Inspector General's comment is addressed to a broader problem than such maintenance. The official personnel folder maintained by the Personnel Office does not now include many documents such as assessment reports, training evaluations, etc. Information of a highly personal nature relating to personality characteristics, etc., should not be placed in the personnel folders until a strict and effective control is maintained over the use of these records.

e. Page 9 of the Report

(1) Paragraph E, 1st Subparagraph:

"It is advanced that there would be a lower rate of turnover of clerical employees if the acquiring office was permitted to interview the employee in advance and explain the types of work, working conditions, promotion possibilities, etc."

At the present time, a placement officer interviews an employee in advance of his assignment to provide such information. It is questionable that an additional interview of this kind is justified in view of the additional expenditure of both time and money which would be involved. Further it is essential that the Personnel Office have final authority over the assignment of clerical personnel as long as the Personnel Office is responsible for the field recruitment of such personnel. This responsibility entails authority to make final employment commitments subject to security processing.

(2) Paragraph E, 2nd Subparagraph:

"There is a question as to the value of the follow-up interviews conducted by the Personnel Office to determine whether an employee has been correctly placed. It is suggested that these might be better performed by the office concerned."

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An evaluation of the effectiveness of personnel assignments is the day-to-day responsibility of operating officials and supervisors. The placement follow-up program is designed to supplement such activities in order to insure that an evaluation is made and that both supervisors and employees have an opportunity to express dissatisfactions which might be difficult for them to express to each other. Therefore, although there is no question that operating components should pay more attention to following up on the effectiveness of assignments, the follow-up program of the Personnel Office should be continued. It should be noted that the Personnel Evaluation Report provides an additional means for supervisors and employees to express opinions concerning assignments.

(3) Paragraph E, 3rd Subparagraph:

"The placement officers are not sufficiently familiar with the job qualifications required for open positions in their area. In addition, placement officers should know the views of the supervisor concerned on the type of individual desired."

Supervisors are requested to provide such information in connection with recruitment requests. The information so obtained has proved, in most cases, to be insufficient as a basis for effective recruitment or placement. It is also apparent from the qualifications information prepared by supervisors that operating components are not in agreement concerning the qualifications requirements of similar Agency positions. Probably the best solution to this situation would be an appropriately controlled effort to analyze and define Agency job qualifications. The Personnel Office is in the process of developing position standards covering both classification and qualification requirements which are geared to the specific needs of the Agency.

(4) Paragraph G-1:

"The impersonal treatment of both applicants and employees by the Personnel Office is one of its greatest weaknesses... personalized handling of personnel...should extend through every phase of employee-Agency relationship..."

All of the phases of personnel management should be personalized to the greatest extent practicable, not only within the Personnel Office but also in the relationships of applicants

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and employees to other offices such as Medical, Security, and Training and to supervisory officials in the operating components. The rapid growth of the Agency has adversely affected personalization in these relationships. Now that the Agency's size has stabilized, it should be possible to provide a greater degree of personalization.

f. Page 10 of the Report

Paragraph G-1-c:

"Appeals to the Bureau of Employees' Compensation have been handled with a lack of background and imagination. In fairness it probably could also be said that the BEC does not take a very forward-looking attitude on most cases, certainly nothing comparable to what would be taken by private industry."

Paragraph G-6-a (Page 13 of the Report): "The Personnel Office can improve its work in pushing claims of employees with the Bureau of Employees' Compensation--an educational program is probably necessary to show BEC some of the conditions affecting employees peculiar to the CIA."

Standards for the payment of compensation claims to Federal employees are established by the Federal Employees' Compensation Act of 1916, as amended. The Bureau of Employees' Compensation, currently under the Department of Labor, is the organization charged with responsibility for the adjudication of claims under the Act. The Bureau of Employees' Compensation has expressed to our representatives the opinion that claims submitted from this Agency are as thoroughly investigated and as well documented as any they receive. A comparison of the percentage of CIA claims approved compares favorably with the average percentage of claims approved in the Government as a whole. This is particularly significant since the Federal Employees' Compensation Act was not initially designed to meet types of problems which are peculiar to this Agency. Our working relationships with BEC are excellent; and BEC, through experience in the actual processing of cases and a genuine effort to serve this Agency, is becoming increasingly familiar with the requirements of the unusual cases peculiar to our activities. In this same general area, it should be noted that it was largely through the efforts of the Personnel Office and the Office of the General Counsel that the 24-hour tour of duty concept was adopted by this Agency in the

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application of its special authority for payments in connection with illness or injury incurred in the line of duty.

g. Page 11 of the Report

Paragraph 3:

"The present Agency method for handling rotation and reassignment is neither effective nor efficient."

The Personnel Office has not had authority to reassign personnel. Problems in handling rotation and reassignment have been emphasized by the lack of any stabilized mechanism of control. Consideration is now being given to the establishment of an Agency Reassignment Board to handle the assignment of individuals who are surplus to the needs of their organization.

h. Page 12 of the Report

Paragraph 3-c, Subparagraph 4:

"One of the greatest faults, if not the greatest, is the reassignment of employees returning from overseas...This is partly the responsibility of the Personnel Office but more directly the responsibility of the DD/P offices and staffs."

The Personnel Office is working closely with DD/P offices and senior staffs to solve this problem.

i. Page 14 of the Report

Paragraph 5:

"There is no question but that the Agency has neglected the problem of assisting women to make a career of Agency work."

The Panel on Career Service for Women has submitted its final report to the CIA Career Service Board. This report provides a current analysis of this problem for the consideration of the CIA Career Service Board. The Personnel Office has done what it could in the interests of women within the limits of its authority to recruit personnel. The final selection of candidates, except for clerical positions, is the prerogative of the operating component concerned.

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j. Page 16 of the Report

Paragraph B:

"There is no question but that a classification system is required. It is also agreed that the Civil Service wage scale is acceptable. What is required is perhaps a classification system tailored exclusively to the requirements of CIA."

The Agency's problem with respect to classification has been due to a lack of understanding among operating components concerning the purposes of classification and their reluctance to accept the application of any classification system. The experience of Government and industry alike has demonstrated the need for systematic classification of positions. This is a highly technical process which involves consideration of occupational and qualifications information as well as pay. Any proposal to revise the Agency's current classification system should receive very careful consideration in relation to the technical and administrative problems involved. In this connection, the Atomic Energy Commission, which because of its security requirements was also exempted from the Classification Act of 1949, found itself in serious difficulty with the Congress when it failed to administer its classification plan in accordance with the basic principles stated in that Act.

k. Page 17 of the Report

(1) Paragraph H:

"It would appear that most of those difficulties (confusion resulting from insufficiently close relationship between the Personnel Office and other offices) could be overcome by having one individual in the Personnel Office assigned the responsibility for being the focal point for each office's personnel problems."

Paragraph D-4 (Page 19 of the Report): "Each office should have a personnel officer charged with all aspects of personnel management. These officers should be trained in personnel matters...and should be in close and constant contact with the Personnel Office..."

Establishment of focal points in the Personnel Office as suggested in paragraph H would duplicate to a large extent the functions which are presumably those of the personnel officers

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now located in DD/P Senior Staffs and Area Divisions and DD/I offices and might logically result in the elimination of those positions. It would seem uneconomical to adopt this suggestion and that of paragraph D-4 since both are directed toward the same objective of providing a single contact point on personnel matters for operating officials.

(2) Paragraph I:

"...on occasion the Security and Medical Offices become deeply involved in personnel actions...by discussing an employee's medical or security disqualifications with him. It would save the Agency trouble if all personnel actions were discussed with employees or applicants only by the Personnel Office."

Paragraph A-6 (Page 18 of the Report): "Applicants should be advised of rejections only by the Personnel Office and reasons for rejection should be confined as much as possible to 'There is no place in CIA for you at this time.'"

Paragraph D-5 (Page 19 of the Report): "Only two individuals in the Agency should be authorized to advise an employee of a personnel action--the employee's immediate superior and the Personnel Director...discussion directly with the Security and Medical Offices should be discouraged."

The general nature of the functions performed by the Security and Medical Offices have inevitably resulted in their participation in certain types of personnel actions. While it is desirable insofar as possible that the Personnel Office handle all such matters, discussions of medical and security factors sometimes reach a point beyond which Personnel people would not be professionally competent. In such cases the applicant or employee concerned should have an opportunity to discuss his disqualification with medical or security specialists. In the interest of improved public relations and in fairness to the individuals concerned it would seem that rejected applicants should be given as much, rather than as little, information as possible in connection with medical disqualifications.

1. Page 18 of the Report

Paragraph A-4:

"In view of the ceiling placed on the Agency and the fact that there are now only limited professional vacancies,

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it is recommended that the Personnel Office stop all professional recruiting except by specific direction from the operating office...(and that the operating office furnish) specific names of individuals to be approached either for recruitment or for leads for recruitment."

Recruitment of professional personnel has always been based on specific requests from operating offices and nominations of candidates and suggested recruitment leads have been solicited.

m. Page 20 of the Report

Paragraph E-3:

"A personnel relations or training officer should explain to new employees who enter on duty something about the processing, the Agency, etc., to render the initial processing less impersonal."

The Personnel Office, for approximately 18 months, has been providing all new personnel a one and one-half hour orientation at the time of their entrance on duty. This presentation includes a discussion of such matters as general Agency organization, leave, pay, employee benefits and services, and a special security processing indoctrination by a representative of the Security Office. In the course of this presentation an invitation is extended for individuals to discuss any problems personally with the speaker or with another personnel relations officer. A more elaborate orientation as to organization and security practices is presented in a one-day session attended by all new personnel within one or two weeks of their entrance on duty. In addition, every employee is personally interviewed by a placement officer upon completion of his entrance on duty processing.

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